

WORKING FAMILIES TAX CUT

# Benefits to Families from the Working Families Tax Cut

Vermont | Tax Year 2026

ESTIMATED AVERAGE TAX CUT

\$2,364

KEY GROUPS

| KEY GROUP                     | AVERAGE TAX SAVINGS |
|-------------------------------|---------------------|
| Head of Household             | \$1,603             |
| Families with Children        | \$4,056             |
| Joint Filers with 2+ Children | \$6,683             |
| Households without Children   | \$1,929             |
| Seniors (65+)                 | \$2,710             |

ILLUSTRATIVE HOUSEHOLDS

| HOUSEHOLD EXAMPLE               | ASSUMPTIONS  | ANNUAL TAX RELIEF |
|---------------------------------|--|-------------------|
| Retired federal worker couple   | Social Security based on national average annual benefits (\$24,852 and \$11,808); pension modeled as \$25,000 and \$20,000 in taxable retirement income | \$4,362           |
| Single restaurant server        | \$64,556 median local wage; tips assumed at 45% of earnings; no children   | \$3,268           |
| Teacher and office clerk family | \$66,008 and \$49,962 median local wages; married couple with 2 children   | \$5,202           |
| Single nurse with overtime      | \$90,247 median local wage; overtime pay assumed at 5% of earnings; no children  | \$4,883           |
| Single-parent home health aide  | \$36,311 median local wage; 1 child  | \$2,527           |
| Electrician family              | One earner at \$63,242 median local wage; married couple with 1 child  | \$4,032           |
| Plumber family                  | One earner at \$64,175 median local wage; married couple with 1 child  | \$4,057           |
| Construction worker family      | One earner at \$49,495 median local wage; married couple with 1 child  | \$3,106           |
| Police officer family           | One earner at \$67,503 median local wage; married couple with 2 children   | \$5,349           |

| HOUSEHOLD EXAMPLE                               | ASSUMPTIONS  | ANNUAL TAX RELIEF |
|---|--|-------------------|
| <b>Firefighter family</b>                       | One earner at \$48,891 median local wage; married couple with 2 children | \$3,488           |
| <b>Truck driver and home health aide family</b> | \$59,734 and \$36,311 median local wages; married couple with 2 children | \$6,132           |

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**Methodology:** Average tax changes are modeled using Tax-Calculator. Illustrative household examples are modeled in PolicyEngine using geography-specific wage inputs where available and do not reflect geography-wide averages.

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**America First Policy Institute**